

Memorandum



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DATE: October 15, 1986

TO: Tomi Terao, City Purchasing Agent

FROM: JS Randy Hardy, Superintendent

SUBJECT: Recommendation on Sunohio Contract Negotiations

I understand from Lynn Davison that Sunohio's final offer after protracted negotiation is approximately \$3 million for chemical decontamination and approximately \$3.5 million for backup incineration. We understand that the bond, in various forms, amounts to about \$2.5 million.

City Light strongly recommends that we accept these terms. Not only is this our last chance to pursue the City's preference of chemical decontamination, but our staff has also confirmed that the financial terms offered by Sunohio for incineration are better than the terms we would likely receive from other viable competitors.

We need to move as quickly as possible to finalize the paperwork on this contract. Perhaps you could urge Sunohio to participate in a drafting committee which would also include Purchasing, Law and City Light.

Thank you for your hard work on this contract under adverse negotiating conditions. If you have any questions please call Lynn Davison at (x3691).

TC:jf

bcc: Hardy
Saven
Macdonald
Jimenez
Davison
Croll
EAD 942.3
File

McIntosh